

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
BYRD ELEMENTARY SCHOOL, 1225 WELDON WAY
GRANITEVILLE, SOUTH CAROLINA
HEARING #11032
May 26, 2009
6:01 P.M.

DOCKET NO. 2008-460-WS

Public Hearing Regarding the Application of
Avondale Mills, Inc. For Approval of a New
Schedule of Rates and Charges for Water and
Sewerage Services.

Transcript of Testimony and Proceedings

Volume 1 of 2

HEARING BEFORE:

Elizabeth G. "Lib" Fleming, Chairman; John
E. Howard, Vice Chairman; and Commissioners G.
O'Neal Hamilton, David A. Wright, Randy Mitchell,
Swain E. Whitfield and Mignon L. Clyburn.

Hearing Legal Advisor: Randall Dong, Esquire,
Staff Counsel.

STAFF:

Jocelyn G. Boyd, Esquire, Deputy Clerk.
Legal Staff: James Spearman, PhD., Executive
Assistant to Commissioners. Phil Riley and Jim
Richardson, Technical Advisors. Missy A.
Graczyk, Court Reporter.

Missy Graczyk, Court Reporter

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APPEARANCES:

Scott Elliott, Esquire, Esquire,
Representing Avondale Mills, Inc.

Jeff Nelson, Esquire, Office of Regulatory
Staff

Willie Morgan, Technical Adviser, Office of
Regulatory Staff for Water and Waste Water

SPECIAL GUESTS:

Senator Shane Massey

House Member, Representative Roland Smith

House Member, Representative Tom Young

County Council Chairman Ronnie Young

County Council Member Charles Barton

Missy Graczyk, Court Reporter

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PROCEEDINGS

CHAIRMAN FLEMING: This hearing will now come to order. We are delighted to be here in this beautiful, new elementary school. I know all of you must be very proud of this, and it really is a treat for us to be here. And the principal welcomed us very warmly as we came in. Thank you.

Tonight before we begin the official public hearing, we have some special guests that I'd like to introduce at this time. We have House Member, Representative Roland Smith -- can you please stand -- and House Member Tom Young. And I'm going to wait until last on you since I'm going to ask you to come up to say a few words. We also have County Council Chairman Ronnie Young is here, and County Council Member Charles Barton. Good to have all of you here tonight.

At this time, I'd like for Senator Shane Massey to come forward. I believe he has a few words to say tonight.

SENATOR MASSEY: First of all, thank you, Madam Chairman, and thank y'all for coming down

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1 to Graniteville for the local hearing. I know
2 that there's going to be a meeting on Tuesday as
3 well in Columbia, but a lot of these folks,
4 there's no way they were going to be able to make
5 it there. So we really appreciate y'all coming
6 down to have this hearing.

7 Folks, I just wanted to give you a little
8 bit of an update on some things that have been
9 happening over the past few months because, you
10 know, Representative Smith, Representative Young
11 and I had a Town Hall meeting down at Leavelle
12 McCampbell back in February. I know several of
13 you were there for that. And this meeting has
14 been scheduled a couple of times, and they've put
15 it off a couple of times because we asked them
16 to, because we were trying to work on some things
17 and hoping we were going to have a solution to
18 the whole issue. That hasn't happened, but I
19 want to give you an update about where we've
20 come.

21 We had that meeting in late February, 23rd,
22 I think, of February. A few days after that, we
23 got a call from Mr. Charles Hilton with Breezy
24 Hill Water & Sewer. They wanted to come to the
25 table, they were interested in discussing taking

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1 over the system, the whole system for
2 Graniteville and Vaucluse to try to see what they
3 could do, you know, not only better service, but
4 also reasonable rates.

5 Since that time, we've had several meetings.
6 The three of us have been involved, Chairman
7 Young and Mr. Barton have been involved, several
8 other people have been involved, because what
9 we're looking at in order to basically take over
10 this whole system, we're looking at somewhere
11 around \$12 million. On the water side and the
12 sewer side combined, about \$12 million.

13 Now, we think we've got the sewer side taken
14 care of. We got some grant money in, and then
15 plus the county has voted to get involved through
16 the sewer side too. But the sewer side, we think
17 we've got that taken care of. The water side is
18 becoming a bigger problem for us because of the
19 money that's necessary there. And what we're
20 working on right now is trying to get the grant
21 money necessary for Breezy Hill to get involved.
22 It's a huge liability for them to take over right
23 now because of the way the system is. Y'all who
24 live there, you know it's a liability, because
25 you know how bad the pressure is and what the

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1 quality is like.

2 So, what we want to do is we want to replace
3 the whole system, but that's an expensive
4 project, and we're trying to find the grant money
5 to make that happen. We're working on it, we
6 worked on it as late as last Friday, I think is
7 when we had a meeting. Tom Young and I just met
8 with Mr. Hilton just a few minutes ago before we
9 came over here. It's an ongoing process, and I
10 wanted to let you know where we are in that
11 process. We're still working on it, but it's
12 kind of complicated, and it's difficult for them
13 to come up with the money. All right, so that's
14 kind of where we are on that.

15 Now, as I understand, the Commission has a
16 deadline of June 23 to rule on this, because
17 they've put off these hearings for a while, but
18 they have to rule by law within 180 days.
19 June 23 is the deadline, so they're going to have
20 to make a decision on this request within the
21 next month. We're going to keep working within
22 that next month to try to get a completely
23 different solution. But, I don't want you to
24 think that it's going to get solved in that
25 month. We're going to keep trying, and hopefully

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1 we're going to come up with something. But I did
2 want to let you know, we have made some progress
3 since February. We're not all the way there, but
4 we've gone a long ways.

5 Can y'all think of anything else?

6 REPRESENTATIVE YOUNG: I think it's
7 important for the public to know that we have
8 found a solution for the sewer side, but the
9 water side, we're still working on it, and it's a
10 matter of where we're going to find the money to
11 do what needs to be done. These pipes are 100
12 years old, it's an expensive proposition to take
13 over and redo the system. It's going to cost
14 money, and we've found some money, we haven't
15 found enough. And so we're still looking, and
16 we're still working on it, and just keep praying
17 and hoping that we're going to find a way to make
18 it work. We're dedicated to work with this
19 community.

20 SENATOR MASSEY: Just wanted to give you the
21 update. I'm not going to prolong this hearing,
22 because this really has nothing to do with their
23 consideration, but it's something that we're all
24 trying to work on so that we can avoid what
25 they're looking at doing.

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1 If y'all have any questions about any of
2 that, you can talk with us after, because we're
3 going to stick around. Thanks. Thank you, Madam
4 Chairman.

5 CHAIRMAN FLEMING: Thank you. We appreciate
6 the fact that you're working on these very
7 complicated issues, and I'm sure their
8 constituents do as well. At this time, I'd like
9 to, first of all, introduce myself. I'm Lib
10 Fleming. I'm Chair for the Public Service
11 Commission. And to my far right is Commissioner
12 Swain Whitfield, Commissioner Mignon Clyburn,
13 Commissioner Randy Mitchell, and to my far left
14 is Commissioner O'Neal Hamilton, Commissioner
15 David Wright and Commissioner and also Vice
16 Chair, Butch Howard. And next to me is our
17 Attorney, Randall Dong. And at this time, I'm
18 going to turn the meeting over to Attorney Dong
19 to give us information about the hearing tonight.

20 MR. DONG: Good evening. Can y'all hear me?

21 As the Chairman said, my name is Randall
22 Dong. I'm a lawyer with the Public Service
23 Commission. Before I get started, let me ask
24 y'all, if you haven't done so already, please
25 turn your cell phones off.

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1 And I'd like to introduce some of the staff
2 we brought with us from Columbia. Jocelyn Boyd,
3 the Deputy Clerk is here, Dr. Jim Spearman, the
4 Executive Assistant to the Commissioners, is
5 here, Phil Riley and Bill Richardson, the
6 Technical Advisors for the Commission are here,
7 and so we've all, they've gotten everything set
8 up here tonight. Scott Elliott is here, the
9 attorney for the company, and the attorney for
10 the Office of Regulatory Staff is Jeff Nelson.
11 Willie Morgan is sitting next to Jeff, and he is
12 a Technical Adviser with the Office of Regulatory
13 Staff for Water and Waste Water.

14 Anyhow, this is the Application for Approval
15 of New Scheduled Rights and Charges for Water and
16 Sewer Service provided by Avondale Mills, Inc.,
17 and we're here to take testimony. We understand
18 that many of y'all can't come to Columbia for the
19 hearing, and so we came here in the evening so
20 that you could have opportunity to give us
21 testimony. The testimony you give here tonight
22 will be just like testimony given in court, just
23 like testimony given during the Merits Hearing.
24 We'll just give you the opportunity to do that
25 here, rather than having to come to Columbia.

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1 You'll be sworn just like you would be in court.

2 You can come forward -- some of you have
3 signed up to testify. I'll call you all in
4 order, and you can come forward and give your
5 statement, talk to us about what your views are
6 and your opinions about this case.

7 As we said before, there will be, the merits
8 hearing on this case is Tuesday, June 2, and that
9 will be held at 10:30 a.m. in Columbia if you
10 choose to come and attend the merits hearing.

11 Now, when you come forward, please state
12 your name and address after you're sworn in,
13 speak into the microphone, and you will be
14 potentially subject to questioning. I don't know
15 how much questioning the lawyers have in mind,
16 but they have the right to ask questions about
17 your testimony. So, please stay at the podium
18 after you've given your testimony to give them an
19 opportunity to ask whatever questions they may
20 have.

21 And I think that's all I have, so with that
22 said, I have currently three witnesses signed up
23 to testify. The first is Cheryl Johnson.

24 CHAIRMAN FLEMING: Ms. Johnson, if you'll
25 come forward, Ms. Boyd will swear you in.

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1 [THEREUPON came,

2 CHERYL JOHNSON,

3 having been first duly sworn, testified as follows:]

4 MS. JOHNSON: My name is Cheryl Johnson. I
5 live at 101 Laurel Drive in Graniteville. I've
6 been a resident of Graniteville my entire life.
7 I held the position with Graniteville/Avondale
8 Mills; that office that I was in and over as
9 Office Manager for about 15 or 20 years had the
10 water billing within that entity.

11 And I mean, we all know as residents, I'm
12 speaking for myself, we know that we have, I used
13 to tell the customers as they would come in that
14 we had the cheapest water in South Carolina, and
15 we know that. And I understand we need a rate
16 increase, that no one could operate or make any
17 sort of profit with the rates that we're
18 currently being charged. But, I am familiar with
19 the rates of the other water services in our
20 area, Breezy Hill and Valley Public Service
21 Authority, and these rates that are being
22 proposed are almost double to even what their
23 rates are. I don't have their exact numbers in
24 front of me, but I know they usually charge like
25 260, 270 per thousand gallons. And these rates

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1 being proposed for the residential water is like
2 450. I know currently, we're only paying 51
3 cent.

4 But, so you know, I just have a real concern
5 for that. Like I say, I know we need an
6 increase, but I just think the proposed increase
7 is just not in line with the other service areas.

8 And while working with the water system, I
9 had an opportunity to speak with a lot of the
10 residents of our area, and a lot of them are
11 elderly. And when they would get their water
12 bills over \$5.05, which was the base rate, they
13 would get very upset. And to see them have to
14 take an increase all at one time of 450 percent,
15 it's just going to be overwhelming for them. I
16 believe they'll begin to have to make choices, do
17 I buy medicine, do I eat, or do I pay a water
18 bill. I just think it's going to be a real
19 hardship.

20 And while I was even working with the
21 company, the process of trying to apply for a
22 rate increase was even ongoing then, and I was
23 involved in the numbers that were being worked up
24 at that time. And I had even asked the question,
25 when and if a rate increase is proposed, will it

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1 be done in increments, or is it going to be all
2 at once. Because like I say, I had the elderly
3 and those on single incomes, whatever situations,
4 that it was just going to be such a hardship to
5 make that big of a jump for them.

6 I guess my other concern that I have with
7 these rate increases, is that going to involve
8 any improvement in our services, as you just
9 heard Senator Massey saying, on this other
10 avenue, that's been the thing that they're
11 looking at, not only taking over the water
12 system, but what it involves, because we know our
13 lines are old; they have not had repairs. So,
14 you know, with this rate increase and the things
15 I've read and I've printed out, what I have
16 printed off your website and the testimonies that
17 have been given, I didn't really see anything in
18 there that says included in this would be any
19 type of service improvements as far as lines
20 themselves. So I have that concern with this
21 rate increase, what will we be getting besides
22 more money for them to show a profit with their
23 service to offset income versus expenses.
24 Because I know currently, our meters are not be
25 being read on a monthly basis. They're being, I

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1 know at times, being estimated.

2 And the reason I know that is because a lot
3 of us have what we call outside water meters to
4 use with our water, watering the yard and so
5 forth. And during the winter months, I was
6 getting charged for usage, and I went and read my
7 meters myself, and I knew my water had been
8 totally turned off, so I knew I was being charged
9 on an average, I guess, so that told me the
10 meters had not been read on a monthly basis. So,
11 I had began to read my meters to see how
12 accurately or how close, or if they were even
13 being read. And I was adjusting my bill and
14 mailing back in exactly what I thought I owed.

15 I guess I had a question, you know, they're
16 saying that the water system may go a different
17 way. If that's the case, can they also apply
18 through you for a rate increase, or does the rate
19 increase from Avondale only apply because they
20 were a privately owned entity and not like a
21 public water service? So I had that question.

22 CHAIRMAN FLEMING: Ms. Johnson, we are not
23 able to answer any questions. We're here to hear
24 what you have to say.

25 MS. JOHNSON: Yes, ma'am.

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1 CHAIRMAN FLEMING: But after the meeting,
2 you can approach Mr. Elliot or Mr. Nelson, and if
3 they can answer the question, and I'm sure the
4 House and Senate Members will be happy to answer
5 questions about what they are working on. We
6 wish we could, but we are not able to do that.

7 MS. JOHNSON: I think that's all I have to
8 say.

9 MR. DONG: Mr. Elliott?

10 MR. ELLIOTT: I appreciate Ms. Johnson being
11 here tonight, but I would have no questions.

12 MR. NELSON: We have no questions, but we'll
13 be happy to talk to Ms. Johnson when this is
14 over. We can possibly answer some of the
15 questions that you have.

16 MS. JOHNSON: Okay, thank you.

17 CHAIRMAN FLEMING: Wait -- we can't answer
18 questions, but we can ask them.

19 Commissioner Mitchell.

20 COMMISSIONER MITCHELL: How are you doing,
21 Ms. Johnson?

22 MS. JOHNSON: Just fine.

23 COMMISSIONER MITCHELL: Glad to have you
24 with us. You mentioned some issues about,
25 pricing issues as far as the percentage that the

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1 water might increase. Do you have any other
2 issues with the company as far as service-related
3 issues? Is the service good or, as far as leaks
4 or anything? Do you have any information on
5 that, or are you satisfied?

6 MS. JOHNSON: Well, I've personally not had
7 any problems. You know, my home is, you know,
8 not on the company side of it. Now, I know the
9 particular area where I live is serviced also by
10 a booster pump, and I know my other neighbors, I
11 live right next to the booster pump, so my water
12 pressure is fine. But I know over time, as you
13 get to the other end of the blocks, and there's
14 six blocks on our street, especially during the
15 summertime when there's a high volume of water
16 usage due to watering yards and so forth, that
17 those would complain that, you know, the water
18 pressure was not very good at all.

19 COMMISSIONER MITCHELL: You also mentioned
20 the age of some of the pipes. Do you find a
21 leaking problem, or is that not very much of a
22 problem?

23 MS. JOHNSON: As far as the water lines, I
24 know in the past -- I'm trying to recall if it
25 was the water lines or the sewer lines or both --

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1 the deteriorating lines, especially up on Trolley
2 Line, it's like every winter, you could almost
3 say when the weather would really get cold, and
4 then it would like, I want to say defrost, the
5 line would get frozen, those old lines would
6 start deteriorating, and you could almost tell
7 they were going up the block, ever so many
8 houses, repair the line, you know, and then the
9 next time, it would break in just a little bit
10 area up above that.

11 COMMISSIONER MITCHELL: And I guess my final
12 question would be, has the number of clients
13 increased, or has it decreased since the issue
14 with the plant here closing? Do you think the
15 clientele has decreased?

16 MS. JOHNSON: I don't work there anymore, so
17 I don't know what the--

18 COMMISSIONER MITCHELL: I just thought you
19 might by knowledge of--

20 MS. JOHNSON: No, sir. I know that when I
21 worked there, the turnover was not that much, but
22 like you say, with the plant closing, I'm not
23 familiar with the numbers, if they've lost any
24 customers due to people having to move out of the
25 area. I know where I live, we've had a few

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1 deaths that have caused houses to be empty. But
2 as far as people having to move because of the
3 plants closing, I'm not aware of any.

4 COMMISSIONER MITCHELL: Thank you very much.
5 Thank you, Madam Chairman. That's all I have.

6 CHAIRMAN FLEMING: All right. Commissioner
7 Clyburn.

8 COMMISSIONER CLYBURN: Ms. Johnson, you made
9 mention of comparing the proposed rates with two
10 other providers in the area. Are you familiar
11 with -- and I know you worked at this concern --
12 but are you familiar with the numbers of
13 customers that those other two, do you have any--

14 MS. JOHNSON: No, ma'am, I don't know exact
15 numbers.

16 COMMISSIONER CLYBURN: Okay.

17 COMMISSIONER WRIGHT: Madam Chairman?

18 CHAIRMAN FLEMING: Yes, Commissioner Wright.

19 COMMISSIONER WRIGHT: Good evening. Ms.
20 Johnson, you mentioned the estimated bills in the
21 wintertime that you would then estimate yourself
22 and send in what you thought you owed--

23 MS. JOHNSON: No, sir, I didn't estimate. I
24 went and read my meter.

25 COMMISSIONER WRIGHT: Okay. Did you hear

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1 back from them after you sent that bill in?

2 MS. JOHNSON: No, sir, just my next month,
3 when I got my bill, I just made sure I was
4 credited for the correct amount and the meter
5 readings adjusted accordingly.

6 COMMISSIONER WRIGHT: And they trued up with
7 you?

8 MS. JOHNSON: Yes, sir.

9 COMMISSIONER WRIGHT: Okay. Thank you.

10 CHAIRMAN FLEMING: Yes, Commissioner Howard.

11 COMMISSIONER HOWARD: Ms. Johnson, I too,
12 would like to thank you for coming. Do you have
13 any issues with the quality of the water? We
14 talked about the service, what about the quality
15 of the water?

16 MS. JOHNSON: Well, no, sir, because you
17 know, from my understanding, we don't drink water
18 produced by Avondale, we drink water from Breezy
19 Hill Water, or VPSA.

20 COMMISSIONER HOWARD: Thank you.

21 CHAIRMAN FLEMING: Anyone else?

22 (No response.)

23 If not, you may be excused.

24 MS. JOHNSON: And I'm sorry, I did not say
25 thank you for you coming also, because I was a

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1 part of a group in our neighborhood that sent a
2 petition to Columbia requesting that you hold
3 this meeting locally, and I do want to thank you
4 for that.

5 CHAIRMAN FLEMING: We appreciate your coming
6 here and being so well prepared.

7 MS. JOHNSON: Thank you.

8 MR. DONG: The next witness on my list is
9 Wade Baggott.

10 [THEREUPON came,

11 WADE BAGGOTT,
12 having been first duly sworn, testified as follows:]

13 MR. BAGGOTT: My name is Wade Baggott. I
14 live at 120 Laurel Drive in Graniteville. I've
15 been there about 40 years. And I worked at
16 Graniteville Company 21 years, and worked at the
17 Stevens Steam Plant where they had all the
18 chlorine at one time. But, I left Graniteville
19 in '83 and went to work at the paper mill.

20 And like Cheryl, I live down the street from
21 her, and the biggest concern that I have is, you
22 know, the people that live over in the Village
23 area that's on fixed incomes. I sat down to
24 figure up my water bill. With the rates that
25 they had sent out, my water bill, counting my

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1 sewer and my water, would probably run anywhere
2 from \$50 to \$60 a month, maybe even more. And I
3 can afford that, don't get me wrong, but there's
4 a lot of people that cannot afford that. I
5 understand, like Cheryl, that they do need to
6 increase the rates, I agree with that. But I'm
7 like her, 400 percent, I think, is a little bit
8 outrageous.

9 I have, as far as the quality of the water,
10 I think the water is probably all right. I'm not
11 sure about the lines, because the little filter
12 in my faucets, about every month, I have to take
13 a toothbrush and clean the black gook out of it.
14 Now, I don't know how y'all would like to drink
15 that or not, I don't know. But I get that in
16 mine. I don't know about anybody else, but I do
17 get that in mine.

18 Now, my pressure's fine, I don't have any
19 problem with that. Hadn't had any problem with
20 the sewer system. But I'm just concerned about
21 the rates, that a lot of people will not be able,
22 probably, to afford some of these rates. I
23 understand it's got to go up, I understand that,
24 but I think it ought to be reasonable.

25 That's all I'd like to say. Any questions?

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1 CHAIRMAN FLEMING: Mr. Elliot.

2 MR. ELLIOTT: Once again, I appreciate Mr.
3 Baggott coming out tonight, but I have no
4 questions. Thank you.

5 CHAIRMAN FLEMING: Mr. Nelson.

6 MR. NELSON: No questions, Madam Chairman.

7 CHAIRMAN FLEMING: Commissioners?

8 (No response.)

9 All right. You may be excused. Thank you
10 for being here.

11 MR. BAGGOTT: Thank you very much.

12 MR. DONG: The next witness is William
13 Valentine.

14 [THEREUPON came,

15 WILLIAM VALENTINE,
16 having been first duly sworn, testified as follows:]

17 MR. VALENTINE: My name is William
18 Valentine. Most people here who know me know me
19 as Lanny. I live at 412 Trolley Line Road in
20 Graniteville. Been there about, just about long
21 enough to get my house paid for. I might be the
22 only person in this room who's never worked for
23 Graniteville Company, believe it or not. I
24 worked for Department of the Army.

25 Swearing me in probably doesn't do a whole

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1 lot of good, because I really don't have a whole
2 lot of facts. All I have is some questions and
3 conjecture and rumors, and some things that I
4 think the Commission should ask, some questions,
5 at some point.

6 A couple of things, I did go through,
7 believe it or not, the entire application, and
8 there's a couple of things on the expenses that I
9 think bear a look. One of those is depreciation.
10 I'm no accounting major, I took one course at
11 Clemson in accounting, and I couldn't wait to get
12 out of that room, but I do have a question about
13 depreciation, because the way this reads, we're
14 being asked to pay \$144,000 a year in
15 depreciation. From what little I can glean on
16 line, and from what little I remember about that
17 course about 30 years ago is that depreciation is
18 a tax mechanism. It is not a cash expense. So
19 why am I being asked to pay for something that's
20 not a cash expense. Again, I know you can't
21 answer questions, I'm just saying, let's ask that
22 question.

23 The other thing that I noticed when reading
24 this is that according to the documentation here,
25 which may not be complete, is that there hasn't

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1 been one single improvement or anything else done
2 on any of these systems since January of 2005,
3 and not to the sewer system since 2003.

4 Coincidentally, January 2005 was when we had the
5 train accident that shut down Avondale Mills,
6 most of it permanently. And my question is that,
7 and again, I think the Commission should ask of
8 someone from Avondale, are any of these things on
9 this fixed asset list improvements that were made
10 to the actual water system who can provide water
11 to residents, or were these things that were done
12 to provide water to industrial mills, because
13 I've had a couple of people who work there go,
14 hey look, that has nothing to do with the water
15 system, that was something done to buy water and
16 sewer for the mills. Again, I can't testify to
17 any of that as fact. I just think somebody
18 should ask it and take a look at that.

19 Just like Cheryl and just like Wade, I
20 acknowledge that we need a rate increase. Our
21 water is probably the cheapest in the state. I
22 don't think you could probably run a well pump
23 and get water as cheap as we've been getting it.
24 However, I think a 400 percent increase by a
25 company that has allowed the system to

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1 deteriorate to the point where nobody else even
2 wants it should draw pause on it. Somebody
3 should look at that and say, well, maybe we
4 should phase this in over a period of time and
5 let another entity maybe fail to take this system
6 over, make improvements to get the people the
7 service they need.

8 CHAIRMAN FLEMING: Mr. Elliot.

9 MS. ELLISON: Once again, I thank
10 Mr. Valentine for being here, but I have no
11 questions.

12 CHAIRMAN FLEMING: Mr. Nelson.

13 MR. NELSON: No questions, Madam Chairman.

14 CHAIRMAN FLEMING: Commissioners?

15 (No response.)

16 No questions, very good. We appreciate your
17 being here. Thank you.

18 MR. VALENTINE: Thank you for your time.

19 MR. DONG: I have one more witness that
20 signed in, Alton Everson.

21 [THEREUPON came,

22 ALTON EVERSON,
23 having been first duly sworn, testified as follows:]

24 MR. EVERSON: My name is Alton Everson, and
25 I live at 504 Trolley Line Road. My wife and I

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1 have been there some 15 years.

2 And over the years, I have noticed that from
3 time to time, that the, there has been service
4 issues, and as far as I can tell, mostly with the
5 drainage system, the sewer line. In my front
6 yard, I have a manhole, a top that's there,
7 roughly a couple feet wide around, and at least
8 on three or four occasions over the years, and
9 recently just a few months ago, it has routinely
10 overflowed. If you drive by my house now, you'll
11 see a patch of about probably ten by ten where
12 the grass was about five times to ten times as
13 big as the rest of the grass in my yard. And the
14 sewage that comes out of there, you know, we read
15 articles about the drugs and other things that
16 get flushed down the toilets, and I have no idea
17 what we're breathing when we mow that grass. And
18 I would ask, and like the others, I do know that
19 we've got to have an increase, but I think tied
20 to that increase, we need some kind of forced
21 repairs to where we would have a system that's
22 not so antiquated that it seeps around in the
23 water lines or within three feet of that sewage
24 line.

25 And you know, the deterioration and the age

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1 of those can't help but lead me to believe that
2 there could be some inner pull between the two,
3 not to mention the, you know, what the drainage
4 would do to our normal groundwater system. I
5 don't know if those reports are supposed to be
6 filed when there is an overflow like that, but I
7 think that that would certainly need to be looked
8 into before any type of increase is simply
9 granted, and I do think that the increase that
10 I've heard proposed is a little bit out of line
11 with our community at this time and should be
12 phased in over some period of time.

13 CHAIRMAN FLEMING: Thank you, Mr. Everson.
14 Mr. Elliott, do you have any questions?

15 MR. ELLIOTT: No, and again, I appreciate
16 Mr. Everson's being here, but I would have no
17 questions.

18 CHAIRMAN FLEMING: Mr. Nelson?

19 MR. NELSON: No questions, Madam Chairman.
20 Thank you.

21 CHAIRMAN FLEMING: Commissioners?

22 COMMISSIONER HAMILTON: Madam Chair, I have
23 one question. On the problem you've experienced
24 with the overflow, is it a storm water line or a
25 sewage line that you've had these problems?

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1 MR. EVERSON: My understanding is that it's
2 a sewage line. That's what I have been told.

3 COMMISSIONER HAMILTON: Do you know if this
4 has been reported to the company or to DHEC?

5 MR. EVERSON: I don't know about to DHEC.
6 You know, routinely when it happens, we call the
7 company. And last time we called, we were told
8 that they just had some part-time people, and
9 they came out, and you know, did something to it
10 and spread a little bit of lime around, and that
11 was the last we heard.

12 COMMISSIONER HAMILTON: And to your
13 knowledge, DHEC hasn't been involved?

14 MR. EVERSON: Not that I'm aware of. I
15 haven't had any visit by anybody from any agency
16 at my house.

17 COMMISSIONER CLYBURN: And in line with
18 that, I wanted to know, you said you've been at
19 this site for fifteen years?

20 MR. EVERSON: About fifteen years.

21 COMMISSIONER CLYBURN: How long have you had
22 issues with this sewage drainage, with that
23 section of your yard?

24 MR. EVERSON: Well, over the period of
25 years, I think that I can recollect at least

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1 three or four different times that it has
2 happened, and there's another place a little bit
3 closer to town where I've seen them out digging
4 and so forth, and I'm not sure whether it was
5 sewer lines or what they were working on at that
6 location, but that location, I've seen them
7 working there repeatedly again three or four
8 times at that location. So, I was told that
9 these were two problem sites for them.

10 COMMISSIONER CLYBURN: And what are we
11 talking about? What are we seeing when that
12 happens?

13 MR. EVERSON: Well, just let your mind flow.

14 COMMISSIONER CLYBURN: All right. I often
15 ask that one question too many.

16 COMMISSIONER WHITFIELD: Madam Chair?

17 CHAIRMAN FLEMING: Yes, Commissioner
18 Whitfield.

19 COMMISSIONER WHITFIELD: Thank you for
20 coming out, Mr. Everson. On that line, I think
21 you mentioned that you had a water line that was
22 about three feet in proximity from this line; is
23 that correct?

24 MR. EVERSON: Yes, sir; that is correct.

25 COMMISSIONER WHITFIELD: Do you have any

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1 other comments that you'd like to add about the
2 water quality or water service? I know you've
3 mostly focused on the sewer, and that's obviously
4 a bad situation, but do you have any other
5 comments you'd like to add about the water?

6 MR. EVERSON: Well, just from time to time,
7 you know, we'll get a letter stating that they're
8 working on the line and that we have to boil the
9 water and so forth when they do that. But it
10 certainly is, I think, can't help it when you get
11 lines that are as old as these lines are that
12 there are going to be some problems. And of
13 course, in the summertime, when you got very high
14 usage, the water pressure does tend to go down
15 somewhat. And like the others, you know, the
16 little filters on there, we clean them out pretty
17 regularly.

18 COMMISSIONER WHITFIELD: Thank you, sir.

19 CHAIRMAN FLEMING: Are there any other
20 questions?

21 (No response.)

22 If not, you may be excused. Thank you.

23 MR. EVERSON: Thank you.

24 MR. DONG: Are there any other witnesses
25 who'd like to testify?

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1 REPRESENTATIVE YOUNG: My name is Tom Young.
2 And I appreciate the opportunity to speak. I
3 hadn't planned to, but--

4 CHAIRMAN FLEMING: Excuse me. Are you going
5 to be talking about the merits?

6 REPRESENTATIVE YOUNG: I'm going to talk to
7 you -- there has not been anyone here talking on
8 behalf of Vaocluse, and Vaocluse is one of the
9 communities that's served by this system, and I
10 know from campaigning and representing that
11 district or this district that there are a number
12 of people in the Vaocluse area who have very
13 strong opinions about the system. And if they
14 were here, they would want you to know what their
15 thoughts are. And Shane also represents
16 Vaocluse, and we decided that it's important for
17 you to know what those people would say if they
18 were here. Is anybody here from Vaocluse?

19 MR. DONG: Well, Representative Young, if
20 you'd like to offer testimony, I think we're
21 going to have to swear you. Otherwise--

22 REPRESENTATIVE YOUNG: That's fine, you can
23 swear me.

24 [THEREUPON came,

25 REPRESENTATIVE TOM YOUNG,

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1 having been first duly sworn, testified as follows:]

2 REPRESENTATIVE YOUNG: Appreciate it.

3 You've asked questions about water quality, about
4 pressure and about sewer lines and also about,
5 there's also been comments about the ability of
6 the residents to pay or to be able to afford
7 these rate increases.

8 The first thing I want to tell you about is
9 water quality. In the Vaucluse area, I visited
10 with several residents last summer when I was
11 running for this office for District A-1, and
12 several of the, a couple of the residents wanted
13 me to see the quality of the water that was
14 coming out of the sink in there, or out of the
15 faucet in their kitchen. And one lady in
16 particular turned on her faucet and put the water
17 in a clear glass -- I saw it come right out of
18 the faucet. She put it up on the mantel in the
19 den area, and there was stuff floating in it,
20 visibly foreign particles floating in the water.

21 She also shared with me the pressure
22 problems, and I heard this from several residents
23 in Vaucluse, pressure problems that they have in
24 that area where someone could be taking a shower
25 in one house, and literally in the next house, if

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1 somebody goes in and tries to take a shower at
2 the same time, there's not enough pressure to
3 operate the shower in that home right next door.

4 There also have been a number of sewer lines
5 that have broken in the Vaucluse area that have
6 gone -- they're required to report those to DHEC.
7 There is a representative from DHEC here in the
8 audience. Jennifer is here on behalf of DHEC,
9 and she has confirmed that they've had a number
10 of sewer line breaks that have been reported, and
11 that in some cases, those have gone unreported
12 for some time. And so, you all need to know
13 about that.

14 And then in terms of the ability for the
15 residents to afford this rate increase, I think
16 that it would be pretty much an understatement
17 for us not to realize that this is probably one
18 of the most, it's probably the most economically
19 challenged area of Aiken County. It's been hit
20 especially hard by the job losses since the
21 closing of the mills, and there are a number of
22 people who are retired or on fixed incomes, and
23 to expect these citizens to pay for an eight or
24 nine hundred percent increase would be
25 unrealistic. And with the quality that they get

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1 out of the water system, I think it would be
2 unfair to those citizens.

3 And so, I just wanted to pass that along
4 while I was giving you my firsthand knowledge
5 about the situation in Vaucluse.

6 Thank you very much. Does anybody have any
7 questions?

8 CHAIRMAN FLEMING: Let's find out. Mr.
9 Elliott?

10 MR. ELLIOTT: I appreciate all of
11 Representative Young's hard work here, but I
12 would have no questions.

13 CHAIRMAN FLEMING: Mr. Nelson?

14 MR. NELSON: No questions, Madam Chairman.

15 CHAIRMAN FLEMING: Commissioners?

16 (No response.)

17 All right.

18 REPRESENTATIVE YOUNG: Thank you.

19 MR. DONG: Anyone else? Yes, sir.

20 REPRESENTATIVE SMITH: I am Representative
21 Roland Smith. I do not physically represent the
22 area that's served by the Avondale Water System
23 or my district surrounding. But having been
24 familiar with Avondale Community for--

25 CHAIRMAN FLEMING: Could we get you sworn in

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1 before you begin?

2 REPRESENTATIVE SMITH: You most certainly
3 can.

4 [THEREUPON came,

5 REPRESENTATIVE ROLAND SMITH,
6 having been first duly sworn, testified as follows:]

7 CHAIRMAN FLEMING: We have to follow these
8 regulations.

9 REPRESENTATIVE SMITH: No problem.

10 We have, obviously, been a great effort by
11 the community including Senator Massey,
12 Representative Young, Chairman Young, Councilman
13 Barton and myself put work in, and have put
14 together a package that we could be able to
15 replace most of this water system; in fact,
16 replace the entire water system. The numbers are
17 somewhere in the neighborhood of \$4 million,
18 total cost for the water system alone. The 4
19 million for the sewer system is out of the
20 stimulus money. It's been set, coming through
21 DHEC, to replace the sewer system, to prepare
22 that.

23 There's approximately, from our meetings
24 that we've been holding, appears we have
25 approximately \$2 million towards a water system.

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1 We need \$2 million. I think it's important for
2 the public in the Avondale Community to know that
3 the members of this community, the delegation,
4 whether it be their delegation from the General
5 Assembly or from the County Council, we're
6 working hard to get those dollars together. And
7 I think that we're going to continue to work
8 until we're successful.

9 Breezy Hill has been alluding to the fact
10 that they provide the water to the Avondale
11 system. Avondale purchases the water from Breezy
12 Hill, and then in return, sell it to the system
13 in the community for substantially less than they
14 pay for it. And we all know that, as everybody
15 said, that a rate increase, it certainly is
16 warranted.

17 I think most important is we don't need to
18 lose sight of the fact that we got a dilapidated
19 water and sewer system. God knows what we've put
20 in, and in the work after the train accident
21 where we were moving the railroad tracks, nobody
22 knew where the lines were. We had to create a
23 new bed where the railroad tracks are on and move
24 it over to make room for the arms to make it more
25 safe for the community. Guess what was

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1 discovered. Sewer and water lines in the very
2 place that we were going to lay the track. And
3 so, I immediately contacted the latest attorney
4 with Avondale here in Graniteville at the time.
5 They came to the plate, and they relocated those
6 lines, and we were able to move the railroad
7 tracks.

8 So it's an ongoing project. And I think
9 that we, as a legislative delegation, County
10 Council, we're committed to resolve this problem.
11 We're concerned as much as the citizens of this
12 community. I think responsibility for each of us
13 that's serving the citizens is to work to make
14 that a reality. And you know, I'm always an
15 optimistic person, and I feel that we've got
16 folks that we can talk to, to come up with that
17 other \$2 million somewhere down the line.

18 And maybe some of you folks can put in a
19 word for us in Washington, Ms. Clyburn, give us a
20 little hand. Representative Bill represents part
21 of this area as well, the outlying area like I
22 do, and it's important for these citizens that we
23 do what we can to improve this system. People
24 deserve quality water, people deserve adequate
25 water.

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1 The fire plugs are shut down, because
2 there's not enough water pressure to operate the
3 fire plugs. They're painted black on the top;
4 that means don't use them. I mean, you know, if
5 the fire department's in an emergency with a
6 house burning, they're going to do what they need
7 to do.

8 And so, I ask you to do everything you
9 possibly can to work with us to enable us to
10 solve this problem. I don't ever need to throw
11 any stones at somebody, Breezy Hill is trying to
12 help us out. They don't want to take on a
13 liability, and I can understand that. So
14 therefore, we're trying to pull the dollars
15 together as it were. We'd invite you all to help
16 us out. Thank you.

17 Take any questions.

18 MR. ELLIOTT: Representative Smith always
19 works very hard for his constituents, and I
20 appreciate his being here. I have no questions,
21 though. Thank you very much.

22 REPRESENTATIVE SMITH: Thank you, sir.

23 MR. NELSON: No questions, Madam Chair.

24 CHAIRMAN FLEMING: Questions, Commissioners?
25 A little bit of pressure on Ms. Clyburn.

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1 REPRESENTATIVE SMITH: I want to
2 congratulate Ms. Clyburn on her new promotion,
3 moving to Washington.

4 COMMISSIONER CLYBURN: Thank you. I
5 appreciate it, sir.

6 CHAIRMAN FLEMING: There don't seem to be
7 any questions.

8 MR. DONG: Anyone else?

9 The Deputy Clerk has reminded me that I
10 neglected to tell you all that those of you who
11 have spoken to us tonight will not be permitted
12 to testify again at the merits hearing on
13 Tuesday, but the merits hearing in this case is,
14 as I said before, Tuesday at 10:30 a.m. in the
15 Commission's office. And so, if you'd like to
16 attend, we certainly will have the hearing there,
17 and there's plenty of room for everybody.

18 CHAIRMAN FLEMING: And anyone who hasn't
19 testified tonight would have the opportunity to
20 testify, so the neighborhood that you were
21 talking about, Representative Young, if you get
22 the word out to them as well. We welcome to hear
23 all voices at these hearings.

24 REPRESENTATIVE YOUNG: Will you accept
25 letters? Because you know, a lot of those folks

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1 work, and they might not be able to be there next
2 Tuesday. And I'm not sure why they're not here
3 tonight. I'm beginning to wonder if maybe they
4 didn't get notice, because I mean, they've been
5 in every meeting, it is important, and Shane and
6 I were just talking, and we're just surprised
7 they're not here. So would you take letters?

8 MR. DONG: Well, it would be, as a lawyer,
9 you know that I think there would be an
10 evidentiary issue with that, with entering those
11 letters into the record. I mean certainly, we
12 take pro testament letters. Anytime we have a
13 water case, there are letters that go in the
14 file, but they won't be a part of the evidentiary
15 record, if that makes any sense to you.

16 REPRESENTATIVE YOUNG: Well, let me ask
17 this. If we find out they didn't get notice of
18 this hearing, and -- what does that --

19 SENATOR MASSEY: If there is an issue with
20 notice -- and understand, everybody may have
21 gotten adequate notice, I don't know, but I will
22 tell you, we had a little Town Hall Meeting down
23 the street in February as I mentioned earlier,
24 and we had about 100 people there. And so, I'm
25 really surprised, particularly from Vaocluse,

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1 because those were the ones I've heard from the
2 most about this -- if there is a notice issue,
3 could we have another local hearing?

4 CHAIRMAN FLEMING: We would certainly work
5 with you, Senator Massey, and Representative
6 Smith.

7 SENATOR MASSEY: We'll check on that, we'll
8 check on that, and if there was a problem, then
9 we'll let you know.

10 CHAIRMAN FLEMING: Okay, and we would
11 certainly work with you in any way we could.

12 SENATOR MASSEY: Thank you very much.

13 CHAIRMAN FLEMING: Well, are there any other
14 issues at this time?

15 (No response.)

16 Well, as I said earlier, Mr. Elliott and
17 Mr. Nelson will be around, and the DHEC
18 Representative, would you mind -- I'm sure that
19 she would be available for questions as well.

20 Commissioner Mitchell just asked that I
21 explain that the Office of Regulatory Staff is an
22 entity that does present a case before the
23 Commission, so it would be very important for you
24 all to speak with them as well.

25 And we would welcome any and all of you at

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1 the hearing. We'd like to hear the voices of
2 those who didn't testify tonight. We welcome
3 DHEC to be at the hearing as well, so any of you
4 we'd like to have, and they're available for
5 questions afterwards. And thank you very much
6 for being here this evening.

7 This hearing is now adjourned.

8 (WHEREUPON, at 6:51 p.m., the public hearing
9 in the above-entitled matter was concluded.)
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